



# FORM L-2024 Simple Return Tax Year 2024 Filing for Residential Landlords with No Employees (Lessors of Residential Real Estate)

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This document provides instructions for the 2024 Gross Receipts Tax Return (the “Return”) ONLY for residential landlords (lessors of residential real estate) that have no employees, and less than \$5,000,000 in gross receipts. These instructions provide a summary of the applicable rules to assist you with completing your filing. The San Francisco Business and Tax Regulations Code (referred to throughout these instructions as the “Code”) provides the law for the computation of the Gross Receipts Tax, as well as the rules for filing the Return.

### Each Building Must Be Registered and File Separately

For purposes of the Gross Receipts Tax, Homelessness Gross Receipts Tax, Overpaid Executive Tax, and Business Registration Fee, a lessor of residential real estate is treated as a separate person with respect to each individual building in which it leases residential real estate units.

**“Residential real estate” means real property where the primary use of or right to use the property is for the purpose of dwelling, sleeping or lodging other than as part of the business activity of accommodations.**

A lessor of residential real estate must obtain a separate Business Account Number and file a separate Return for each individual building in San Francisco, and must also obtain a separate Business Account Number and file a separate Form ABT-2024 for its other business activities that are not leasing residential real estate. A lessor of residential real estate must therefore allocate its gross receipts and payroll to each individual

building in which it leases residential real estate units and to its other business activities combined. The example that follows illustrates these concepts.

The Tax Collector is authorized to determine what constitutes a separate building and the number of units in a building.

NOTE: Each registered building will have a separate Business Account Number (BAN) for use in filing. This information has been provided in correspondence from our office.

### Example 1: Lessor of Residential Real Estate Registration and Filing Requirements

Assume Corporation A leases 10 residential units and 5 commercial units in Building A, leases 3 residential units and 4 commercial units in Building B, and generates \$4,000,000 of gross receipts from these activities. It has no employees.

Based on its books and records, Corporation A determines that \$3,000,000 of its gross receipts are from the lease of the 9 commercial units, \$750,000 are from the lease of the 10 residential units in Building A, and \$250,000 are from the lease of the 3 residential units in Building B.

Corporation A would have to file a Gross Receipts Tax Return reflecting the \$3,000,000 gross receipts from the 9 commercial units because its gross receipts were not less than or equal to \$2,190,000.

Corporation A would also have to register as a separate person and file a Gross Receipts Tax Return reflecting the \$750,000 gross receipts from the 10 residential units in Building A because Corporation A leases more than 3 residential units in Building A. Corporation A would not need to file a Gross Receipts Tax Return for the 3 residential units in Building B because Corporation A leases fewer than 4 residential units in Building B.

## Who May File Form L-2024

Form L-2024 is provided for landlords that have zero employees, and are reporting less than \$5,000,000 in gross receipts. As noted above, lessors of residential real estate in San Francisco must file under a separate Business Account Number for each building in San Francisco to correctly report their tax liability. “Residential real estate” means real property where the primary use of or right to use the property is for the purpose of dwelling, sleeping or lodging other than as part of the business activity of accommodations.

Lessors of residential real estate in San Francisco must file a Return for each building if they are not otherwise exempt under Code section 954.

If you believe you may be exempt from the Gross Receipts Tax under Code section 954, please see the instructions for Form ABT-2024, the filing for all taxpayers.

For purpose of this Return, a lessor of residential real estate is treated as a separate person with respect to each individual building in which it leases residential real estate units, must file a separate Return for each individual building, and must file a Form ABT-2024 for its other business activities combined. A lessor of residential real estate must therefore allocate its gross receipts to each individual building in which it leases residential real estate units and to its other business activities combined.

If you have any employees, or your gross receipts are greater than or equal to

\$5,000,000, you must file Form ABT-2024 (the general form applicable to all taxpayers).

Lessors of residential real estate that engage in any business other than leasing residential real estate (e.g., leasing commercial real estate, retailing, etc.) must complete a Form ABT-2024 under a separate Business Account Number for the portion of their business that is not leasing residential real estate.

## When You Must File

Returns and payments must be received within 15 days of ceasing business. If continuing business after 2024, you must file or request an extension by the last day of February, 2025. If you request an extension you must file by April 29, 2025. A valid postmark by the due date is considered timely.

Paper filings may be mailed via U.S. Postal Service to:

Office of the Treasurer & Tax Collector  
PO Box 7425  
San Francisco, CA 94120

Paper filings may also be delivered in person to:

Office of the Treasurer & Tax Collector  
City Hall Room 140  
1 Dr. Carlton B. Goodlett Pl.  
San Francisco, CA 94102

## Form L-2024

This form provides our office with important tax information. You must answer all questions on this form. If you do not answer any of these questions your filing will be considered incomplete and will be subject to applicable penalties, interest, and fees.

By using this Form L-2024 to report you are hereby declaring the following:

1. You have NO employees, whether in San Francisco or elsewhere in 2024
2. Your gross receipts for 2024 are LESS THAN \$5,000,000

### Section A. Business Identification

#### A1. Business Personal Property

Mark “Yes” if you had any taxable business personal property in the City during the tax year. Otherwise mark “No.”

Business Personal Property includes items like machinery, equipment, fixtures, and leasehold improvements held or used in connection with a trade or business. Business property owners must file a property statement each year with the Business Personal Property Division (BPP) of the Office of the Assessor-Recorder detailing the acquisition cost of all supplies, equipment, fixtures, and improvements owned at each location within the City and County of San Francisco.

For more information, visit:

<https://www.sfassessor.org/property-information/business-owners/about-business-property-assessments>

### Section B. Gross Receipts Tax

#### B1. Business Activity

Real Estate and Rental and Leasing Services is pre-populated on this line for Form L-2024.

#### B2. Number of Units Leased Out

Enter the number of units rented out in this building. Note, if you rent out three or fewer units you are a “small business enterprise” exempt from the Gross Receipts Tax.

#### B3. San Francisco Gross Receipts

Enter the total gross receipts from this building, including, but not limited to rent, non-refundable deposits, and other fees or charges to residents (e.g., parking, laundry, etc.).

Note: gross receipts that are received from persons or individuals that are not residents (e.g. parking rent from persons that are not residents) should not be reported in this Form L-2024 for this Business Account Number. See instructions for Form ABT-2024 for more information.

#### B4. Building With Rent Controlled Units

Mark “Yes” if any of your units are rent controlled. Otherwise mark “No.” “Rent controlled units” include all locations in the City that are subject to limits on rent increases pursuant to the Residential Rent Stabilization and Arbitration Ordinance, San Francisco Administrative Code, Chapter 37, Section 37.1 *et seq.*

#### B5. 50% Exclusion for Rent Controlled Properties

If you marked “Yes” on line B4, multiply the amounts received from rent-controlled units

by fifty percent (50%) to determine the amount to exclude for amounts received from rent controlled properties. If no amounts were received from rent controlled units, enter zero.

**B6. Taxable San Francisco Gross Receipts**

Subtract line B5 from line B3 and input into this line. These are your taxable San Francisco gross receipts.

**B7. Gross Receipts Tax**

If you leased out three or fewer units in the building for which you are filing this Return you are exempt as a small business and should enter \$0. If you leased out four or more units, multiply line B6 by 0.00428. Enter the result on this line.

You do not need to file if you lease three or fewer units.

**B8. Gross Receipts Tax Estimated Tax Payments**

Input your total estimated payments made toward the Gross Receipts Tax during the tax year for this building.

**B9. Remaining Gross Receipts Tax Principal Due**

Subtract line B8 from line B7. This is the principal amount due.

**B10. Penalties, Interest and Fees**

If the Return will not be postmarked or received within 15 days of ceasing business, or by the last day of February 2025 if continuing business, you need to calculate your penalties, interest, and fees to input on this line.

**Penalty, Interest and Fee Calculator**

|                      |  |
|----------------------|--|
| Late Filing Penalty  |  |
| Late Payment Penalty |  |
| Interest             |  |
| Administrative Fee   |  |
| Total for Line B10   |  |

**Late Filing Penalty**

If the Return will not be postmarked or received within 15 days of cessation of business, or by the last day of February 2025 (or April 29, 2025 if filing on extension) write \$100 on the line above, provided you were required to file a Return for this tax. Otherwise, enter zero (\$0).

**Late Payment Penalty**

If the payment associated with this Return will not be postmarked or received within 15 days of cessation of business, or by the last day of February 2025 (or April 29, 2025 if filing on extension) enter a late payment penalty consisting of line B9 (remaining Gross Receipts Tax principal due) multiplied by 5 percent for each month (or fraction of a month) that the amount is delinquent for the first four months, or 25 percent if the amount is delinquent for five or more months. You can use the applicable rate from the table below:

| Payment Received After            | Payment Received By               | Penalty Percentage |
|-----------------------------------|-----------------------------------|--------------------|
| 15 days or 2/28/2025              | 1 month and 15 days or 3/31/2025  | 5% (0.05)          |
| 1 month and 15 days or 3/31/2025  | 2 months and 15 days or 4/30/2025 | 10% (0.10)         |
| 2 months and 15 days or 4/30/2025 | 3 months and 15 days or 5/31/2025 | 15% (0.15)         |
| 3 months and 15 days or 5/31/2025 | 4 months and 15 days or 6/30/2025 | 20% (0.20)         |

|   |  |            |
|---|--|------------|
| 4 months and<br>15 days or<br>6/30/2025 |  | 25% (0.25) |
|---|--|------------|

### Interest

If the payment associated with this Return will not be postmarked or received within 15 days of cessation of business, or by the last day of February 2025 (or April 29, 2025 if filing on extension) interest consisting of the amount from line B9 multiplied by one percent (1%) per month (or fraction of a month) must be added on this line. Otherwise, enter zero (\$0).

### Administrative Fee

If this Return will not be postmarked or received within 15 days of cessation of business, or by the last day of February 2025 (or April 29, 2025 if filing on extension) or if the payment associated with this Return is not postmarked or received within 15 days of cessation of business, or by the last day of February 2025 (or April 29, 2025 if filing on extension) an administrative fee of \$55 must be added on this line, provided you were required to file a Return or pay the tax. Otherwise, enter zero (\$0).

### B11. Amount Due

Add lines B9 and B10. This is the Gross Receipts Tax due.

### Community Challenge Grant

If you would like to designate a portion of your tax liability to the Neighborhood Beautification and Graffiti Clean-up Fund (also known as the "Community Challenge Grant Program") you may:

1. Check the box at left to designate 5.9 percent (0.059) of your tax liability;  
or

2. Enter a percentage up to 5.9 percent on the line at right.

These designations will not increase your tax liability, but will designate a portion of the tax you pay to go to the Community Challenge Grant Program.

### Taxpayer Statement

Enter the information requested at the bottom of the page and sign the form. If you are an agent of the taxpayer authorized to sign this Return on the taxpayer's behalf, you must have a validly executed Power of Attorney. A Power of Attorney Declaration \_ Form POA-1, along with instructions as to how to use the form to grant an individual authority to file a Return on behalf of a taxpayer, is available on the website of the Treasurer and Tax Collector at <http://sftreasurer.org/business-form-central>.

By signing the form you are certifying under penalty of perjury that you are the taxpayer (including an officer, general partner, member manager, executor, trustee, fiduciary, or other individual with the authority to bind the taxpayer), or an agent of the taxpayer authorized to sign this Return on behalf of the taxpayer pursuant to a validly executed Power of Attorney, and that you have examined the Return and all accompanying schedules or worksheets and have determined that, to the best of your knowledge and belief, all of the information is true, correct, and compliant with all the requirements provided in the San Francisco Business and Tax Regulations Code. You are also acknowledging that you are providing

information in response to a request for financial information pursuant to Code section 6.5-1, and that you are required by law to complete this Return in its entirety and that the Return is subject to audit.